DOCUMENT RESUME

ED 218 521 CE 033 202

AUTHOR	Wallace, Virginia
TITLE	Budgets. An Adult Competency Education Learning Module.
INSTITUTION	Montclair State Coll., Upper Montclair, NJ. Resource Dissemination Center.
SPONS AGENCY	New Jersey State Dept. of Education Trenton. Bureau of Adult, Continuing, Community Education.
PUB DATE	[78]
NOTE	75p.; For related documents see CE 033 200-205.
AVAILABLE FROM	National Adult Education Clearinghouse, Montclair State College, Upper Montclair, NJ 07043 ($4.00).
EDRS PRICE	MF01 Plus Postage. PC Not Available from EDRS.
DESCRIPTORS	*Adult Education; Behavioral Objectives; *Budgeting; *Budgets; *Competency Based Education; *Consumer Economics; Consumer Education; Course Descriptions; Learning Activities; Learning Modules; Lesson Plans; Mathematics Instruction; *Money Management; Pretests Posttests
IDENTIFIERS	Adult Performance Level

ABSTRACT

This instructional unit on budgets is one of six Adult Competency Education Learning Modules designed for use in a program of competency-based instruction for students with reading levels of 4.0-7.5. It is self-contained and designed for immediate classroom use. Each module is a complete instructional package, including Adult Performance Level objectives, curriculum outline, pre/posttest with answer key, lesson plans, teacher and student activities, skill documentation, informational materials, and worksheets. A developmental math curriculum is incorporated into the module. To facilitate use of the modules in a math program, all math worksheets are presented at four varying levels of ability. A key to the math worksheet levels is provided. The five lessons in this module cover these topics: What Is a Budget?, Budgets Mean Money, Money and Children (allowances), Budget Charts and Graphs, and Managing Your Money. (YLB)

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BUDGETS

AN

ADULT COMPETENCY EDUCATION LEARNING MODULE

BY

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PUBLISHED AND DISTRIBUTED BY:

RESOURCE UTILIZATION AND DISSEMINATION CENTER
DEPARTMENT OF ADULT CONTINUING EDUCATION
MONTCLAIR STATE COLLEGE
UPPER MONTCLAIR, NEW JERSEY 07043

201-893-4353/4318
8-223-4318

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PREFACE

The original module was produced in Plainfield, New Jersey as part of an experimental project, "Adult Competency Education: Research and Curriculum Development." In the course of the project a program of competency-based education was developed and instituted; this module was created for and used in an actual instructional program.

The Project was sponsored by the Plainfield Board of Education. Contact person for the project was Charles T. Carter, Director of Adult and Continuing Education.

While the concept of competency-based education is gaining increasing acceptance among adult educators the implementation of programs based on the concept is lagging behind. This project is an effort to bridge the gap between the formulation of an educational theory and the expression of that theory in actual classroom experience. This transition could not have been made without the participation of the Adult Basic Education students who became involved in a program of competency-based instruction, used the materials as they were developed and revised, and contributed their ideas and responses. The Project Staff extends its deepest appreciation to the students involved in the Project.

The Project Staff also wishes to express gratitude to the fleet of skillful typists: Dorothy Willison, Shirley Gaines, Barbara O'Neill and Barbara Willison.

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INTRODUCTION TO THE LEARNING MODULES

The Adult Competency Education Learning Modules are instructional units designed for use in a program of competency-based instruction. Each module is a complete instructional package, including objectives, curriculum outline, lesson plans, teacher and student activities, skill documentation, materials and worksheets. Insofar as possible, the modules were designed for immediate classroom use; a teacher can familiarize himself with the contents and teach directly from the package without searching for or creating materials.

The packages were developed and tested in a program of competency-based education for Adult Basic Education students. Students who used the materials had reading levels of 4.0 to 7.5. While some materials are more difficult than others, reading materials included in the modules are within the grasp of this reading range. Students outside this range may find some of the materials useful as well.

I.

Competency-based education addresses itself to both academic skills and life-coping skills. The latter thrust centers on five (5) content areas: Consumer Economics, Health, Government & Law, Occupational Knowledge and Community Resources. Each Learning Module begins with CBAE Objectives covered within. The scope of a module is determined by the logical evolution of the lesson content. The lessons were not designed to exhaust each objective's subject matter; they rather present a quantity of content area material which can reasonably be taught as a unit.

II.

Following the Objectives is the Index to Lessons, a brief curriculum outline and guide to materials. The Index lists the Lessons to be presented, summarizes the content of each unit, and charts the necessary materials. Wherever possible actual materials (worksheets, answer keys, pamphlets, etc.) are included; the teacher wishing to teach from the module need only reproduce and distribute the material.

The Lessons within a module are designed to follow-up and reinforce one another. While lessons may be skipped or rearranged if the teacher desires, the teacher who does so should check both content area and skill development to be sure nothing critical is lost in the rearrangement.

III.

The Activity Outline for each lesson contains a step-by-step enumeration of student and teacher activities. Since the ABE population is varied in background and ability, instructional guidance in academic skills is limited; the emphasis is on student activities, with the teacher supplying instruction wherever necessary. Student activities usually refer directly to concrete materials; when a less structured activity--such as a discussion--is called for, questions are supplied or guidelines for discussion are included in the Activity Outline. On the Activity Outline sheet, each student activity is correlated with the ABE skills which are exercised by that particular activity. This skill documentation can be useful in scheduling lessons; the teacher can present lessons in sequence according to the complexity of the academic skills involved.

IV.

White pages, activity cards, and actual materials (labels, pamphlets, schedules) are intended for the student's use. Most worksheets have answer keys, permitting students to check their own work; some of the more subjective questions will require teacher evaluation.

Math: A developmental math curriculum has been incorporated into these modules. To facilitate use of the modules in a math program, all math worksheets have been prepared at 4 varying levels of ability. An interpretation of these levels follows.

KEY TO MATH WORKSHEET LEVELS

Level I Whole Numbers
Addition: Single and double digits. No carrying.
Subtraction: Single and double digits. No borrowing.
Multiplication: Single and double digits. No carrying.
Division: Short division. No regrouping.

Level II Whole Numbers
Addition: Single and multiple digits. Carrying.
Subtraction: Single and multiple digits. Borrowing.
Multiplication: Multiple digits. Carrying.
Division: Long division. Regrouping.

Level III Decimals
Addition: Multiple digits. No carrying.
Subtraction: Multiple digits. No borrowing.
Multiplication: Multiple digits. No carrying.
Division: Short Division. No regrouping. No decimals in division.

Level IV Decimals
Addition: Multiple digits. Carrying.
Subtraction: Multiple digits. Borrowing.
Multiplication: Multiple digits. Carrying.
Division: Long Division. Regrouping. Rounding Off.

Math worksheets are characterized in the upper margin according to level and operation: for example, a sheet labeled II. A/S would contain problems in addition and subtraction on Level II.

Note: because of the functional similarities between levels I and III (the only difference being the decimal point) teachers may find it possible to introduce decimals at an early stage, in conjunction with level I. This enhances the authenticity of the lessons, since very few of our money transactions occur entirely with whole numbers.

Objectives
Competency Based
Adult Education
Learning Module

BUDGETS

APL Area	Consumer Economics
APL Objectives	CE 1 To build an oral and written consumer economics vocabulary
	CE 4 To be aware of the basic principles of money management, including knowing the basics of consumer decision-making

COMPETENCY BASED ADULT EDUCATION
LEARNING MODULE

CURRICULUM OUTLINE	MATERIALS
I. Lesson 1: What is a Budget?	
A. Stimulus Activity: Show Mississippi Videotape, Just Around the Corner, "Budgets;" and discuss;	Videotape, Just Around the Corner, "Budgets", (published by Cambridge Book Company)
OR	
Alternate Stimulus: Role play co-workers with the same income but different lifestyles and spending habits.	
B, Read introductory article, "What Is A Budget".	Article, p. 2
C. Study "Budget Vocabulary"	Worksheet, p. 3 - 4
D. Read dialogue, "I'm Always Broke the Day Before Payday."	Dialogue, p. 5 - 6
E. Work Language Exercise, "Working With Nouns".	Worksheet, p. 7 - 8 Answer Key, p. 9 - 10
F. Work Vocabulary Exercise	Worksheet, p. 8
G. Complete oral or written answers to questions, "Your Ideas About Budgets".	Worksheet, p. 11
II. Lesson 2: Budgets Mean Money!	
A. Stimulus Activity: Show Mississippi Videotape, Just Around the Corner, "Budgets" and discuss.	Videotape, Just Around the Corner, "Budgets," (published by Cambridge Book Company)
OR	

CURRICULUM OUTLINE	MATERIALS
Alternate Stimulus: Lead a discussion stressing the various things that can be done with the same amount of money -- one person will save, one will spend on necessities, one will spend on luxuries, etc.	
B. Complete worksheets on basic money operations.	Worksheet, p. 2, 3, 4
C. Read lesson on "The Spenders" and work the problems.	Worksheet, p. 5 Answer Key, p. 6
D. Complete appropriate math worksheets.	
Level 1 Addition, Subtraction, Multiplication, Division problems.	Worksheet, p. 7 - 8 Answer Key, p. 11
Word Problems	Worksheet, p. 9 Answer Key, p. 12
A Budget Situation: Try Your Hand "The Nutts Get Cable".	Worksheet, p. 10 Answer Key, p. 13
Level 2 Addition, Subtraction, Multiplication, Division problems.	Worksheet, p. 14 - 15 Answer Key, p. 18
Word Problems	Worksheet, p. 16 Answer Key, p. 18 - 19
A Budget Situation: Try Your Hand "Sam Gets A Car".	Worksheet, p. 17 Answer Key, p. 20
Level 3 Addition, Subtraction, Multiplication, Division problems	Worksheet, p. 21 Answer Key, p. 24
Word Problems	Worksheet, p. 22 Answer Key, p. 25
A Budget Situation: Try your Hand "Wanda Saves for College".	Worksheet, p. 23 Answer Key, p. 26

CURRICULUM OUTLINE	MATERIALS
Level 4 Addition, Subtraction, Multiplication, Division problems.	Worksheet, p. 27 - 28 Answer Key, p. 33
Word Problems	Worksheet, p. 29 - 30 Answer Key, p. 34 - 35
A Budget Situation: Try Your Hand "James Moves Out".	Worksheet, p. 31 - 32 Answer Key, p. 36
III. Lesson 3: Money and Children	
A. Read article, "Be Consistent With Allowances", study vocabulary, and answer comprehension questions	Article p. 2 - 3 Worksheet, p. 3 - 4 Answer Key, p. 5
IV. Lesson 4: Budget Charts and Graphs	
A. Study chart of suggested income distribution and answer questions.	Worksheet, p. 3 - 4 Answer Key, p. 4
B. Study circle graph of sample budget and answer questions.	Worksheet, p. 5 - 6 Answer Key, p. 7
C. Multiplication and Division problems, level 3.	Worksheet, p. 8 Answer Key, p. 10
Addition, Multiplication, Division problems, level 4.	Worksheet, p. 9 Answer Key, p. 10 - 11
V. Lesson 5: Managing Your Money	
A. Read article, "Managing Your Money", and answer questions in writing.	Article p. 2 - 3 Worksheet, p. 4 Answer Key, p. 5
B. Use planning sheet to work out a budget.	Worksheet, p. 6

WHAT IS A BUDGET?

CBAE Activities	ABE Skills
Stimulus:	Speaking and listening Problem-solving
Student views and discusses a video tape on the importance of having a budget.	
Alternate Stimulus:	Speaking and listening Problem-solving
Students role-play co-workers with the same income but different lifestyles and spending habits.	
Student reads introductory article, "What is a Budget?"	Reading
Student reads and studies a list of vocabulary words related to budgets.	Reading Vocabulary Spelling
Student reads dialogue, "I'm Always Broke the Day Before Payday."	Reading
Student completes Language Exercise involving identification of nouns.	Language Arts: Nouns
Student writes definitions for selected vocabulary.	Reading: context clues main idea vocabulary writing
Student uses vocabulary words in original.	Writing
Student reads and answers questions on budgeting, drawing on reading selections and on personal experiences.	Reading: main idea details inference drawing conclusions writing speaking and listening
Student examines through these questions budgeting concepts, the influence of values, the reason for planning, the involvement of children.	Problem solving Reading and writing Speaking and listening

WHAT IS A BUDGET?

Nobody ever has enough money. It seems like just when you start to get a little bit ahead, some new expense pops up. Inflation eats up any gains you make. You know the feeling ...

... When the $30 that used to buy three bags of groceries only buys two.

... When you skip the phone bill to pay the electric bill, then next month skip the light bill to pay the telephone.

... When you spend too much on clothes and end up eating peanut butter for the rest of the month.

... When you forget to pay a bill and they turn off the lights, shut off the phone, take back the T. V.

... When you always end up broke and you can't figure out where the money went.

... When other people at your same job seem to have more than you do.

A budget can't get you more money. It <u>can</u> help you make the money you've got go farther. It can help you:

keep track of your money

control your spending

make sure that necessities get paid for

cut down on waste

know what you can afford - and what you <u>can't</u> afford

BUDGET VOCABULARY

budget:	a plan for spending money
income:	money you earn; what comes in
expense:	money you spend; what goes out
fixed expense:	an expense that does not change (e.g., rent or mortgage)
flexible expense:	an expense that you can control to some degree (e.g., clothing or entertainment)
anticipated expense:	an expense that you know is coming: for instance, you can predict that the rent is due on the first of the month.
emergency expense:	an expense that you didn't know was coming: for instance, you car breaks down, or you go into the hospital
savings:	money set aside, usually in a bank account
allowance:	money paid on a regular basis
stipend:	an allowance, often paid by an agency to a client who is in school or in a training program
pension:	money you receive when you retire
gross income:	the total amount you earn, before deductions
taxes:	money that goes to the government
deductions:	money taken out of your paycheck for taxes and other expenses
take-home pay:	what you get from your earnings, after deductions
net pay:	same as take-home pay

values: what's important to you, what's not important. Values affect what you do with money: buy a new car, take a trip, or go to school, put it in the bank

life style: the way you live. Lifestyle affects how you spend money: what kinds of things you need, what you do, who you know

goals: what you want to do. Your goals affect your spending habit: if you're saving money for school, you may have to give up many other things to get there

inflation: when the economy changes, prices go up and up and the value of money falls

cost-of-living: how much it takes to survive. The cost-of-livin changes as expenses change

time-payments: buying something a little at a time; paying for your purchases a little bit each month

credit: ways to buy things without paying cash, including loans, time payments, credit cards

mortgage: money paid toward the purchase of a house

utilities: household services, like gas, electricity, telephone, water

"I'M ALWAYS BROKE THE DAY BEFORE PAYDAY"

Dewayne: Man, I hate to think of tomorrow's paycheck - it's already spent. That money's <u>been</u> spent!

Johnnie: How can you spend it if you haven't got it?

Dewayne: Bills, man, bills! I <u>owe</u> all that money out. I'm going to have to borrow something to get me through the week. Hey, man, do me a favor. You always seem to have money ...

Johnnie: Yeah, I have a budget.

Dewayne: I don't need a budget, I need some <u>money</u>.

Johnnie: I can't help you with that, Dewayne. But maybe I can help you do more with what you've got.

Dewayne: I'm listening.

Johnnie: A budget's no big deal. It's a plan to deal with money, so you control where it goes and make it do what you want it to.

Dewayne: I want it to buy me things.

Johnnie: Yeah, money can do that. But remember, it can only go so far. It sounds to me you're really living beyond your means.

Dewayne: What do you mean, "beyond my means?"

Johnnie: I mean you're spending more than you earn. More than you can afford; you're borrowing money, getting deeper and deeper into debt.

Dewayne: Well, that's true. That's why I need more money.

Johnnie: Who dcesn't? But you're not going to get it, so try the budget instead.

Dewayne: O.K., how do I do this?

Johnnie: Simple. Add up all your income.

Dewayne: That's simple enough. And small enough.

Johnnie: I know. Next, add up all your expenses. Start with the fixed expenses, the ones that don't change - you know - rent, time payments. Then move on to flexible expenses like food, utilities, clothes.

Dewayne: How do I know how much these things will run? They change all the time.

Johnnie: Well you can't know exactly, the way you know what your fixed expenses will be. But if you keep track of these bills for awhile, you can come up with an average amount and figure about how much you'll need to spend.

Dewayne: Suppose I do this and my expenses still are more than my income?

Johnnie: Then you'll have to adjust something - cut back one of your expenses, or find additional income.

Dewayne: O.K. I'll give it a shot. In the meantime, speaking of additional income, how about letting me have a few dollars till next week ...

LANGUAGE EXERCISE

Read the following sentences. Underline the nouns.
(Remember: a NOUN names a person, place or thing)

1. Whether your income is large or small, a budget will help you spend wisely.

2. A mortgage is a fixed expense; the amount never changes.

3. I hope I have enough money in my savings account to cover my emergency expenses.

4. Taxes, FICA and other deductions make my net income much lower than my gross pay.

5. A pension is a fixed income; it does not change as the cost-of-living changes.

6. I need a change in my spending habits.

7. Credit is a way of spreading out your expenses; but time payments can be more expensive.

8. The VA pays James a monthly stipend, or allowance, while he attends school.

9. Entertainment is a flexible expense; it varies according to your lifestyle.

10. Since my utility bill is so high, I'm trying to cut down on the use of electricity.

11. The utilities just got a big increase in their rates.

12. Sara is saving her money for school. She could spend the money now, but she knows the anticipated expense of her school fees is more important.

VOCABULARY EXERCISE

Using the context of the sentences above, write a working definition of these words:

pension	credit
deduction	cost-of-living
fixed expense	mortgage
flexible expense	stipend
emergency expense	anticipated expense

USE EACH WORD IN A SENTENCE OF YOUR OWN.

LANGUAGE EXERCISE ANSWERS

The nouns have been underlined in these sentences.

1. Whether your income is large or small, a budget will help you spend wisely.

2. A mortgage is a fixed expense; the amount never changes.

3. I hope I have enough money in my savings account to cover my emergency expenses.

4. Taxes, FICA and other deductions make my net income much lower than my gross pay.

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12. Sara is saving her money for school. She could spend the money now, but she knows the anticipated expense of her school fees is more important.

YOUR IDEAS ABOUT BUDGETS

1. What expenses can you control and adjust? What expenses are beyond your control?

2. How do children affect a budget?

3. Who should make up the budget? Should other household members have a say in it? Should a budget be for the family or for each person?

4. Can you see any pattern to the way you spend your money? Explain.

5. How do your personal values and lifestyle affect the way you spend your money? Is this likely to change as you change? Explain.

6. What is the difference between the amount you "earn" and the amount you actually bring home? Where does the money go?

7. How important is it to have a savings plan?

8. How can we teach our children to budget?

9. Do you need a budget? Why? How can a budget help you save money?

10. How can you keep track of your expenses?

11. Have you ever tried budgeting, or do you have a budget now? Tell about it.

To work on budgets, you must be able to work with money. There are three main techniques you must know:

I. Changing from cents to dollars: MODEL: 43¢ = $.43 4¢ - $.04 1.75¢ = $1.7

Write the following amounts in dollar terms:

1. 75¢ = _____
2. 34¢ = _____
3. 57¢ = _____
4. 89¢ = _____
5. 28¢ = _____
6. 90¢ = _____
7. 5¢ = _____
8. 10¢ = _____
9. 129¢ = _____
10. 234¢ = _____
11. 500¢ = _____
12. 465¢ = _____
13. 62¢ = _____
14. 3¢ = _____
15. 101¢ = _____
16. 8¢ = _____

II. Changing from dollars to cents: MODEL: $.95 = 95¢ $.02 = 2¢ $2.95 = 2.95

Write the following amounts in cents:

1. $ .45 = _____
2. $ .16 = _____
3. $ .09 = _____
4. $ .90 = _____
5. $ .68 = _____
6. $ .01 = _____
7. $ .75 = _____
8. $ .23 = _____
9. $ .05 = _____
10. $1.23 = _____
11. $4.00 = _____
12. $ .07 = _____
13. $ .99 = _____
14. $1.99 = _____
15. $3.10 = _____
16. $ .10 = _____

III. Rounding off. When the instructions say "Round off to the nearest dollar," they mean you should end up with an even dollar amount. If your figure has <u>less than 50¢</u>, drop it off: $5.25 = $5.00. If your figure has <u>50¢ or more than 50¢</u>, you are more than halfway to the next dollar and should move up to the next dollar amount: $5.85 = $6.00

Remember: below 50¢ drops; 50¢ or above moves up to the next dollar.

Round off to the nearest dollar:

1. $ 12.85 = _____
2. $ 8.31 = _____
3. $ 95.50 = _____
4. $ 3.19 = _____
5. $ 149.76 = _____
6. $ 3479.04 = _____
7. $ 42.65 = _____
8. $86531.49 = _____
9. $ 6.45 = _____
10. $ 10.10 = _____
11. $ 9.63 = _____
12. $ .89 = _____
13. $ 1.89 = _____
14. $ 2.02 = _____
15. $ 2.52 = _____
16. $ 5.75 = _____

I. Write the following amounts in dollar terms:

1. $.75
2. $.34
3. $.57
4. $.89
5. $.28
6. $.90
7. $.05
8. $.10
9. $1.29
10. $2.34
11. $5.00
12. $4.65
13. $.62
14. $.03
15. $1.01
16. $.08

II. Write the following amounts in cents:

1. 45¢
2. 16¢
3. 9¢
4. 90¢
5. 68¢
6. 1¢
7. 75¢
8. 23¢
9. 5¢
10. 123¢
11. 400¢
12. 7¢
13. 99¢
14. 199¢
15. 310¢
16. 10¢

III. Round off to the nearest dollar:

1. $13.00
2. $8.00
3. $96.00
4. $3.00
5. $150.00
6. $3479.00
7. $43.00
8. $86,531.00
9. $6.00
10. $10.00
11. $10.00
12. $1.00
13. $2.00
14. $2.00
15. $3.00
16. $6.00

THE SPENDERS

Mr. & Mrs. Sam Spender and their children need a budget. They never seem to have enough money. Mr. Spender brings home $100.00 a week. The family spends money for rent, food, electricity, car and telephone. They also spend money for other things.

The Spender family spends $200.00 a month for rent. The electric bill is $20.00 a month. They spend $10.00 a month for the telephone. Food costs $110.00 a month. Gas and car payments run to $30.00. There is also a $20.00 bank payment.

Problem 1: How much does Mr. Spender bring home each week?

Problem 2: How much money does Mr. Spender bring home each month? (Figure 4 weeks in a month)

Problem 3: Fill in the blanks:

They spend $_____ a month for rent.

They spend $_____ a month for food.

They spend $_____ a month for telephone.

They spend $_____ a month for the car.

They spend $_____ a month for a bank payment.

They spend $_____ a month for utilities.

Mr. Spender brings home $_____ a month.

They spend $_____ a month. (Add up all expenses)

They have $_____ left each month. (Subtract expenses from income)

ANSWERS

Problem 1: How much does Mr. Spender bring home each week?

$100.00

Problem 2: How much money does Mr. Spender bring home each month?

4 x $100 = $400.00

Problem 3: Fill in the blanks:

They spend $200.00 a month for rent.

They spend $110.00 a month for food.

They spend $10.00 a month for telephone.

They spend $30.00 a month for the car.

They spend $20.00 a month for a bank payment.

They spend $20.00 a month for gas and electricity.

Mr. Spender brings home $400.00 a month.

They spend $390.00 a month.

They have $10.00 left each month.

1. A/S M/D

MATH WORKSHEET

A. To make a budget, you add up total income, add up total expenses, then subtract expenses from income.

MODEL:

Income:			Expenses:			
$143			$ 50	Rent	$263	
+ 120			100	Food	- 160	
$263	Total Income		+ 10	Utilities	$100	left
			$160	Total Expenses		

1. Income $101 + 38 Expenses $100 + 20 + 15

2. Income $250 + 240 Expenses $110 + 100 + 20 + 30

3. Income $150 + 145 Expenses $70 + 10 + 10

4. Income: $295 a week. Expenses: $100 rent, $50 food, $15 utilities.

5. Income: $150 + $139 a week. Expenses: $40 rent, $40 food, $5 utilities.

6. Income: $120 + $75 a week. Expenses: $20 rent, $30 food, $10 utilities.

When you budget, all your figures must be for the same period of time. (Weekly or Monthly)

B. To find weekly income, multiply hourly wage x hours worked.

MODEL: $3/hr. x 40 hrs. = $120 a week.

1. $4/hr, 40 hrs.
2. $5/hr, 30 hrs.
3. $3/hr, 30 hrs.
4. $6/hr, 40 hrs.

C. To change from weekly terms to monthly terms, multiply by 4.

MODEL: $30 a week for food: $30 x 4 = $120 a month for food.

FIND THE MONTHLY AMOUNT FOR THESE WEEKLY AMOUNTS:

1. Income: $110 a week
2. Rent: $40 a week
3. Food: $20 a week
4. Gas: $8 a week
5. Transportation: $10 a week
6. Entertainment: $5 a week

D. To change from monthly to weekly terms, divide by 4.

MODEL: $160 a month for rent: $4\overline{)\$160}$ ($40) a week for rent.

FIND THE WEEKLY AMOUNT FOR THESE MONTHLY AMOUNTS:

1. Income: $480 a month
2. Rent: $200 a month
3. Car Payments: $120 a month
4. Bank Loan: $80 a month
5. Rent: $240 a month
6. Mortgage: $448 a month

1. A/S M/D

WORD PROBLEMS

1. Guy earns $4 an hour. He works 40 hours. He earns an extra $35 a week fixing cars. Guy pays $160 a month in rent, $20 a month utilities, $30 a week on food, $10 a week on transportation, $40 a month towards a T.V. he bought on credit. These are his necessary expenses. He also spends money on clothing and entertainment. He would like to put $50 a week in the bank. Is this possible?
   HINT: Use weekly terms.

2. Lois earns $5 an hour and works 40 hours. Her apartment costs $200 a month. She wants to move to a bigger apartment that would cost $100 a month more. Her other expenses would stay about the same: food, $50 a week; car payments, $100 a month; utilities, telephone and insurance come to $100 a month. Can she afford the new apartment?

3. Jimmie Lee and Karen agreed to split all expenses: he pays half, she pays half. They are trying to save $60 a week for a new couch. They both work at the A-1 Packing Co. and earn $4 an hour for 40 hours. Their food bill is $40 a week. Rent is $400 a month. Utilities and phone cost $60 a month.
   a. How much is left after necessities?
   b. Jimmie Lee spends about $20 a week on clothes, personal items. Karen spends about $30. How much is left to each one after these expenses?
   c. How much should each one pay to the couch fund? Can they do it?
      HINT: Figure each one's weekly expense. Each one pays half of each weekly bill.

1. A/S/M

THE NUTTS GET CABLE

A BUDGET SITUATION: TRY YOUR HAND

Mr. and Mrs. T. V. Nutts want to get cable television. Their income is $220 a week. The following is a list of their expenses:

Rent	$ 300.00 a month
Light and Gas	20.00 a month
Food	50.00 a week
Clothing	100.00 a month
Medical & Insurance	100.00 a month
Entertainment	10.00 a week
Car Payment	100.00 a month
Telephone	10.00 a month

The cable television payment would be $30.00 a month.

Problem 1: Change all income and expenses to monthly expenses. See how much money is left in the budget.

Problem 2: Sort expenses into 3 categories: fixed expenses; expenses which would be hard to cut down; expenses which could be cut.

Problem 3: Adjust their budget so they will be able to afford the T. V. payments.

Problem 4: Can they really afford cable television?

Yes? No?

Explain.

1. A/S M/D

ANSWERS

MATH WORKSHEET

A. 1. $101 + 38 = $139; $100 + 20 + 15 = $135; $139 - 135 = $4

2. $250 + 240 = $490; $110 + 100 + 20 + 30 = $260; $490 - 260 = $230

3. $150 + 145 = $295; $70 + 10 + 10 = $90; $295 - 90 = $205

4. $100 + 50 + 15 = $165; $295 - 165 = $130

5. $150 + 139 = $289; $40 + 40 + 5 = $85; $289 - 85 = $204

6. $120 + 75 = $195; $20 + 30 + 10 = $60; $195 - 60 = $135

B. 1. $4 x 40 = $160

2. $5 x 30 = $150

3. $3 x 30 = $90

4. $6 x 40 = $240

C. 1. $110 x 4 = $440

2. $40 x 4 = $160

3. $20 x 4 = $80

4. $8 x 4 = $32

5. $10 x 4 = $40

6. $5 x 4 = $20

D. 1. 4)$480 = $120

2. 4)$200 = $50

3. 4)$120 = $30

4. 4)$80 = $20

5. 4)$240 = $60

6. 4)$448 = $112

WORD PROBLEMS

ANSWERS

1. Weekly Income

$4 x 40 hrs = $160 a week
+ 35 extra income
$195 total income

$ 40
4)$160

Weekly Expenses

$40 Rent
5 Utilities
+ 30 Food
10 Transportation
10 T.V. Payments
$95 Total Expenses

$ 5
4)$20

$10
4)$40

$195
- 95
$100 left. If he puts $50 in the Bank, he still has $50 to spend.

2. Monthly Income

$5 x 40 hrs. = $200 a week

$200 x 4 = $800 a month

Monthly Expenses

$200 Rent
200 Food $50 x 4 = $200
100 Car
+ 100 Utilities
$600 Total Expenses

Budget: $800
- 600
$200 left. This is enough to cover $100 more in rent.

3. Each one's weekly income

$4 x 40 = $160

Each one's weekly expenses

$ 20 Food
50 Rent
30 Utilities
$100 Total Expenses

$20 Food
2)$40

$ 50 Rent
2)$100

$30 Utilities
2)$60

$100
4)$400

a. $160
- 100
$ 60 left for each

b. Jimmie Lee: $60 - 20 = $40
Karen: $60 - 30 = $30

c. $30
2)$60 Yes, they can do it.

THE NUTTS GET CABLE: ANSWERS

Problem 1: Change all income and expenses to monthly terms.

Income	$220 a week	$220 x 4 =		$880
				- 870
Rent	300 a month		300	$ 10
Lights & Gas	20 a month		20	
Food	50 a week	$ 50 x 4 =	200	
Clothing	100 a month		100	
Medical & Insurance	100 a month		100	
Entertainment	10 a week	$10 x 4 =	40	
Car Payments	100 a month		100	
Telephone	10 a month		10	
			$870	

Problem 2: a. Fixed expenses: rent; car payment

b. Hard to cut: lights and gas; medical and insurance; telephone (already low)

c. Could be cut: food; clothing; entertainment

Problem 3: They have $10 left in the budget. Cable costs $30 $30 - 10 = $20

They need $20 more. They have several choices:

1. Reduce the entertainment budget by $20
2. Take $10 each from entertainment and clothing
3. Take $10 from entertainment, $5 from clothing, $5 from food

Other ideas? O.K. if they add up to $20

Problem 4: Answers will vary.

II. A/S/M/D

MATH WORKSHEET

A. To make a budget, you add up total income, add up total expenses then subtract expenses from income.

MODEL: Income = $236 + 48 = $284 Total income

Expenses = $ 85 Rent + 45 Food + 39 Utilities = $169 Total Income

$284 - 169 = $115 Left

1. Income: $129 + 136

   Expenses: $48 + 39 + 19

2. Income: $225

   Expenses: $108 + 49 + 36 + 15

3. Income: $125 + 85

   Expenses: $80 + 16 + 15 + 35

4. Income: $210 a week; Expenses: $55 rent, $36 food, $27 utilities

5. Income: $161 a week; Expenses: $43 rent, $43 food, $19 utilities

6. Income: $115 a week; Expenses: $38 rent, $29 food, $19 utilities

WHEN YOU BUDGET, ALL YOUR FIGURES MUST BE FOR THE SAME PERIOD OF TIME (Weekly or Monthly)

B. To find weekly income, multiply hourly wage x hours worked.
MODEL: $3 hr x 35 hrs. = $105 a week

1. $6/hr, 42 hrs.
2. $3/hr, 39 hrs.
3. $4/hr, 35 hrs.
4. $5/hr, 37 hrs.

C. To change from weekly terms to monthly terms, multiply by 4.
MODEL: $35 a week for food: $35 x 4 = $140 a month for food.

FIND THE MONTHLY AMOUNTS FOR THESE WEEKLY AMOUNTS:

1. Income: $145 a week
2. Rent: $38 a week
3. Food: $43 a week
4. Gas: $14 a week
5. Transportation: $27 a week
6. Entertainment: $16 a week

D. To change from monthly terms to weekly terms, divide by 4.
MODEL: $260 a month for rent: $ 65 a week for rent
4)$260

FIND THE WEEKLY AMOUNTS FOR THESE MONTHLY AMOUNTS:

1. Income: $588 a month
2. Rent: $352 a month
3. Car payment: $116 a month
4. Bank loan: $52 a month
5. Rent: $184 a month
6. Mortgage: $724 a month

II. A/S M/D

WORD PROBLEMS

1. Frank is a presser. He earns $5 an hour and works 35 hours a week. Frank's major expenses include $55 a week room and board, $15 a week transportation, $10 a week personal items, $46 a month clothing, and a $125 monthly car payment. a. How much is left each month? b. Frank thinks he can manage on $25 a week for food. He wants to leave the rooming house and get an apartment. How much can he afford to spend on housing? (Remember: food and housing will replace his old room and board fee.)

2. Laverne and Shirley work for the Cece Brewing Company as bottle cappers. They both earn $3 an hour and work from 9 - 5 each day, Monday - Friday, with an hour off for lunch. $20 is deducted each week. They share an apartment which costs $220 a month. They split a $26 light bill and chip in $20 a week for the groceries. Shirley spends $38 a month on clothes. Laverne spends twice as much on clothes as Shirley. Both need $15 a week for travel and spending money. They want to buy a T.V. which will cost $78 a month. Draw up a monthly budget for each and see whether they can manage the T.V.

3. Goldie wants a raise. She's drawing up a budget to show her boss exactly how much she needs to earn to cover her expenses. There's her list: rent, $372 a month; food, $45 a week; time payments, $25 a week; insurance, $96 a month; medical, $36 a month; personal, $30 a week; clothes, $18 a week. Allowing $36 for deductions each week, if Goldie works 40 hours a week, how much must she earn per hour to cover these costs?

A BUDGET SITUATION: TRY YOUR HAND

SAM GETS A CAR

Sam has always wanted a new car. Ever since he was small he planned how he would get a job, save his money, and get a car. Sam just got a job as an inventory clerk at the supermarket. The car he has his eye on costs $5377. If he puts a down payment of $600, car payments will run $150 a month for 3 years.

These are Sam's expenses now:

Rent: $20 a week

Board: $15 a week

Bus Fare: $4 a day (he works 6 days a week)

Entertainment: $15 a week (movies, records, dances, etc.)

Clothes: $40 a month

Sam works 42 hours a week for $4 an hour. Deductions take a total of $26.

1. If Sam saves $25 a week, how long will it take him to save the $600?
2. Could he save more than $25 a week? a. How much? b. How long would it take to get $600 if he saved as much as he could?
3. a. Change his expenses to monthly expenses. b. Can he afford $150 a month?
4. Car insurance will cost $744 a year. a. How much per month? b. Can he afford the car and the insurance?
5. a. How much spending money does this budget leave Sam each month? b. How much each week? c. Is this enough?

II. A/S M/D

ANSWERS

MATH WORKSHEET

A. 1. $129 + 136 = $265; $48 + 39 + 19 = $106; $265 - 106 = $159

4. $55 + 36 + 27 = $118; $210 - 118 = $92

2. $108 + 49 + 36 + 15 = $208; $225 - 208 = $17

5. $43 + 43 + 19 = $105; $161 - 105 = $56

3. $125 + 85 = $210; $80 + 16 + 15 + 35 = $146; $210 - 146 = $64

6. $38 + 29 + 19 = $86; $115 - 86 = $29

B. 1. 42 x6 = $252 2. 39 x3 = $117 3. 35 x4 = $140 4. 37 x5 = $185

C. 1. $145 x4 = $580 2. $38 x4 = $152 3. $43 x4 = $172 4. $14 x4 = $56 5. $27 x4 = $108 6. $16 x4 = $64

D. 1. 4)$588 = $147 (4, 18, 16, 28, 28)

2. 4)$352 = $88 (32, 32, 32)

3. 4)$116 = $29 (8, 36, 36)

4. 4)$52 = $13 (4, 12, 12)

5. 4)$184 = $46 (16, 24, 24)

6. 4)$724 = $181 (4, 32, 32, 04, 4)

WORD PROBLEMS

a. Step 1

1. 35 x5 = $145 a week; $145 x4 = $580 a month

Step 2 - Monthly Expenses:

$55 x 4 = $220 room & board
$15 x 4 = $60 transportation
$10 x 4 = $40 personal
$46 clothing
$125 car payment
$491 total

Step 3 $580 - 491 = $89 left each month

b. Adjusted Monthly Expenses: (room and board not counted)

$ 60	transportation	
40	personal	
46	clothing	
+ 125	car payments	
$25 x 4 = 100	food	
$371		

$580
- 371
$209 left for housing

2. Income: 9 - 5 = 8 hours, 1 hour lunch = 7 hours 7 x 5 = 35 hrs/wk.

35 x3 = $105
$105 - 20 = $ 85 net pay per week

$85 x4 = $340

Laverne

2)$220 = $110 rent (half the total)

2)$26 = 13 lights

$20 x 4= 80 food

$38 x 2= 76 clothes

$15 x 4= 60 travel and spending

$339

$340
- 339
$ 1 left

Shirley

$110 rent

13 lights

80 food

38 clothes

60 travel and spending

$301

$340
- 301
$ 39 left

$39
2)$78 Each would need $39. Shirley can do it; Laverne cannot.
6
18
18

3. Weekly Expenses:

$ 93
4)$372

$24
4)$96

$ 9
4)$36

$93 rent
45 food
25 payments
24 insurance
+ 9 medical
30 personal
18 clothes
$244 total
+ 36 deductions
$280 needed per week

$ 7
40)$280
280

She would need $7 per hour

II. A/S M/D

ANSWERS

SAM GETS A CAR

1.
$$\begin{array}{r} \$\ 24 \\ \$25\overline{)\$600} \\ 50 \\ \hline 100 \\ 100 \\ \hline \end{array}$$

2. a. Step 1 - Weekly Income:

42 x4 = $168

$168 - 26 = $142 net pay

Step 2 - Weekly Expenses:

$4 x 6 = 24 bus fare

$20 rent
15 board
+ 15 entertainment
10 clothes
$84

Step 3 $142 net pay
- 84 expenses
$ 58 left

He could save $58

b. $\begin{array}{r} 20 \\ 10\overline{)58} \end{array} = \begin{array}{r} 10 \\ 10\overline{)29} \end{array}$

$$\begin{array}{r} 10 \\ \$58\overline{)\$600} \\ 58 \\ \hline 20 \\ 0 \\ \hline 20 \end{array}$$

About 10-11 weeks if he saved $58 a week.

3. a. Monthly Expenses:

$20 x 4 = $80 rent

$15 x 4 = $60 board

$24 x 4 = $96 bus fare

$15 x 4 = $60 entertainment

$40 clothes

$336 total

b. Monthly Net Pay

$142 x4 = $568

$568 - 336 = $232 left

yes, he can afford $150

4. a.
$$\begin{array}{r} \$\ 62 \text{ a month} \\ 12\overline{)\$744} \\ 72 \\ \hline 24 \\ 24 \\ \hline \end{array}$$

b. $232 left - 150 car payments = $ 82 left: enough to cover $62 for insurance

yes, he can afford the insurance.

5. a. $82 - 62 = $20 a month

b.
$$\begin{array}{r} \$\ 5 \text{ a week} \\ 4\overline{)\$20} \end{array}$$

c. It's not much! But he already has $15 a week for entertainment, and his living expenses (room & board) are low.

MATH WORKSHEET

A. To make a budget, you add up total income, add up total expenses, then subtract expenses from income.

MODEL: Income = $153.62 + 26.35 = $179.97 total income

Expenses = $43.50 rent + 20.25 food + 12.10 utilities = $75.85 total expenses

$179.97 - 75.85 = $104.12 left

1. Income: $205.45 + 83.33 Expenses: $45.65 + 20.00 + 12.12

2. Income: $240.00 + 238.98 Expenses: $108.75 + 50.10 + 10.00

3. Income: $155.50 + 130.45 Expenses: $52.25 + 21.50 + 11.00

4. Income: $99.99 a week. Expenses: $56.30 rent, $22.45 food. $11.22 utilities.

5. Income: $108.88 a week. Expenses: $61.32 rent, $21.23 food, $16.20 utilities.

6. Income: $99.89 a week. Expenses: $40.40 rent, $25.25 food, $14.14 utilities.

WHEN YOU BUDGET, ALL OF YOUR FIGURES MUST BE FOR THE SAME PERIOD OF TIME (Weekly or Monthly)

B. To find weekly income, multiply hourly wage x hours worked.

MODEL: $3.20 x 40 = $128.00 a week

1. $4.10 x 40 hrs. 2. $5.20 x 30 hrs. 3. $3.10 x 40 hrs. 4. $6.20 x 40 hrs.

C. To change from weekly terms to monthly terms, multiply by 4.

MODEL: $21.20 a week for food: $21.20 x 4 = $84.80 a month

FIND THE MONTHLY AMOUNT FOR THESE WEEKLY AMOUNTS:

1. Income: $122.20 a week 2. Rent: $40.10 a week 3. Food: $30.20 a week

4. Gas: $12.12 a week 5. Transportation: $20.11 a week

6. Entertainment: $10.20 a week.

D. To change from monthly terms to weekly terms, divide by 4.

FIND THE WEEKLY AMOUNT FOR THESE MONTHLY AMOUNTS:

1. Income: $808.40 a month 2. Rent: $200.48 a month

3. Car payment: $124.44 a month 4. Bank loan: $88.88 a month

5. Rent: $480.44 a month 6. Mortgage: $484.80 a month

III. A/S M/D

WORD PROBLEMS

1. Mary wants to buy herself some new clothes. She figures she'll need $400 to buy what she wants. Mary is a student who works part-time, so she is on a very tight budget. Each weekday afternoon, after school, she works at the dry cleaning store from 2:30 till 6:30. She earns $3.44 an hour. Each week $11.20 is deducted from her pay. Mary gives her mother $20 a week for room and board; she spends $1.10 a day on bus fare; $12.00 goes for lunches, entertainment, books. a. How much can she save each week? b. How long will it take to save $400?

2. Gladys just went back to work as a salesperson in a department store. She works from 9 - 5 each day, 5 days a week, for $4.22 an hour. Gladys' main problem is finding child care for her 2 year old daughter. Here are her choices:

   A. XYZ Nursery - all day, $10.

   B. PDQ Day Care -$40 a week until 3:00.

   C. Neighborhood girl - $1 an hour after 3 (3 to 5).

   D. Private sitter - $2 an hour, 9 - 5.

   $31.10 is deducted from her paycheck. She pays $200.80 a month in rent, $25.50 a week on food, $10 on miscellaneous items. a. How much is left? b. Which of the child-care arrangements can she afford? c. Which do you think she should choose?

3. Tyrone and Jeremy work for the No-Way Bushing Co. They work 40 hours for $4.12 an hour. Deductions total $31.50. Every week Tyrone puts $20 into his savings account. Jeremy spends all his money on his car. a. How much spending money does Ty have? b. How much does Jeremy spend on his car? Here are their other main expenses: rent,$40; food, $32.20; Telephone, $10.10.

A BUDGET SITUATION: TRY YOUR HAND

WANDA SAVES FOR COLLEGE

Wanda is a secretary. She shares an apartment with two other working women. She wants to go to college and is saving as much money as she can. The following charts compare her weekly budget for two different years. Compare them:

1976		1978	
Income:	$3.32/hr - 6 hours a day Monday - Friday	Income:	$4.23/hr, same schedule
	$12.20 deductions		$20.10 deductions

Problem 1: What were the weekly incomes for each year, after deductions?

EXPENSES

$80/month	Rent	$120/month
$10/week	Food	$ 20/week
$10/week	Transportation	$ 10/week
$12.40/month	Electric and Gas	$16.80/month
$4.80/month	Telephone	$4.80/month
$40/month	Clothing	$84/month
$20/week	Entertainment	$10/week

Problem 2: Change all her expenses to weekly expenses.
Subtract the total weekly expense from the weekly income.
How much is left for savings in 1976? In 1978?

Problem 3: How much have her expenses gone up?

Problem 4: How much has income gone up?

Problem 5: Which has risen more, income or expenses?

Problem 6: Which expenses have a. increased b. decreased c. stayed the same?

Problem 7: Wanda needs to save more. Where could she cut back?

III. A/S M/D ANSWERS

MATH WORKSHEET

A. 1. $205.45 + 83.33 = $288.78

$45.65 + 20.00 + 12.12 = $77.77

$288.78 - 77.77 = $211.01

4. $56.30 + 22.45 + 11.22 = $89.97

$99.99 - 89.97 = $10.02

2. $240.00 + 238.98 = $478.98

$108.75 + 50.10 + 10.00 = $168.85

$478.98 - 168.85 = $310.13

5. $61.32 + 21.23 + 16.20 = $98.75

$108.88 - 98.75 = $ 10.13

3. $155.50 + 130.45 = $285.95

$52.25 + 21.50 + 11.00 = $84.75

$285.95 - 84.75 = $201.20

6. $40.40 + 25.25 + 14.14 = $79.79

$99.89 - 79.79 = $20.10

B. 1. $4.10 x 40 = $164.00

2. $5.20 x 30 = $156.00

3. $3.10 x 40 = $124.00

4. $6.20 x 40 = $248.00

C. 1. $122.20 x 4 = $488.80

2. $40.10 x 4 = $160.40

3. $30.20 x 4 = $120.80

4. $12.12 x 4 = $48.48

5. $20.11 x 4 = $80.44

6. $10.20 x 4 = $40.80

D. 1. 4)$808.40 = $202.10

2. 4)$200.48 = $ 50.12

3. 4)$124.44 = $ 31.11

3. 4)$88.88 = $22.22

5. 4)$480.44 = $120.11

6. 4)$484.80 = $121.20

III. A/S M/D ANSWERS

WORD PROBLEMS

1. 2:30 - 6:30 = 4 hrs. x 5 days = 20 hrs/wk.

$3.44 x 20 = $68.80 a week

$68.80 - 11.20 = $57.60 net/wk.

Weekly Expenses:

$20.00 room and board

$1.10 x 5 = 5.50 bus

12.10 lunches, entertainment and books

$37.60

a. $57.60 - 37.60 = $20.00 could be saved

b. 20 weeks
$20)$400
It will take her 20 weeks

2. 9 - 5 = 8 hrs. x 5 = 40 hrs/wk.

$4.22 x 40 = $168.80 a week

$168.80 - 31.10 = $137.70 net/wk

Weekly Expenses:

$ 52.20
4)$200.80

$50.20 rent
25.50 food
+ 10.00 miscellaneous
$85.70

a. $137.70 - 85.70 = $ 52.00 left

b. Choice A: $10 a day x 5 days = $50/wk
Choice B: $40 a week but no afternoons
Choice C: 3-5 = 2 hrs. a day x 5 days = 10 hrs x $1/hr = $10
B and C continued:
$40 + 10 = $50/wk.
Choice D: 8 hrs/day x 5 days a week = 40 hrs x $2 = $80/wk.

She could afford either XYZ or PDQ plus the neighbor.

c. Probably XYZ is the most convenient.

3. $4.12 x 40 = $164.80

$164.80 - 31.50 = $133.30

$40.00 rent
32.20 food
10.10 telephone
$82.30

a. $133.30 - 82.30 = $ 51.00 left

$51.00 - 20.00 = $31.00 for Ty to spend

b. Jeremy spends all $51 on his car.

III. A/S M/D ANSWERS

WANDA SAVES FOR COLLEGE

1. 1976: 6 hrs. a day x 5 days = 30 hrs.

$3.32 x 30 = $99.60

$99.60 - 13.20 = $86.40 net

1978: 40 hrs.

$4.23 x 30 = $126.90

$126.90 - 20.10 = $106.80 net

2.

1976-weekly			1978-weekly	
$20.00	$80/month	Rent	$120/month	$30.00
$10.00	$10/week	Food	$20/week	$20.00
$10.00	$10/week	Transportation	$10/week	$10.00
$3.10	$12.40/month	Electric and Gas	$16.80/month	$4.20
$1.20	$4.80/month	Telehone	$4.80/month	$1.20
$10.00	$40/month	Clothing	$84/month	$21.00
$20.00	$20/week	Entertainment	$10/week	$10.00
$74.30				$96.40

$86.40 - 74.30 = $12.10 for savings per week, 1976

$106.80 - 96.40 = $ 10.40 for savings per week, 1978

3. $96.80 - 74.30 = $22.10 more in 1978

4. $106.80 - 86.40 = $ 20.40 more in 1978

5. expenses

6. Increased: rent; food; electric and gas; clothing

Decreased: entertainment

Same: transportation, telephone

7. She could probably cut back her clothing expenses, possibly entertainment as well.

IV. A/S M/D

MATH WORKSHEET

A. To make a budget, you add up total income, add up total expenses, then subtract expenses from income.

MODEL: Income: $173.50 + 49.89 = $223.39 total income

Expenses: $42.50 rent + 38.75 food + 5.45 utilities = $86.70 total expenses

$223.39 - 86.70 = $136.69 left

1. Income: $98.25 + 92.38

   Expenses: $33.90 + 55.67 + 9.93

2. Income: $210.90 + 57.57

   Expenses: $62.30 + 33.31 + 6.42

3. Income: $131.50 + 99.75

   Expenses: $52.45 + 66.16 + 13.23

4. Income: $185.50 a week. Expenses: $51.50 rent, $37.75 food, $4.62 utilities

5. Income: $143.75 + $29.65 a week. Expenses: $48.86 rent, $44.40 food, $11.99 utilities

6. Income: $99.50 a week. Expenses: $38.40 rent, $29.95 food, $7.29 utilities

WHEN YOU BUDGET, ALL YOUR FIGURES MUST BE FOR THE SAME PERIOD OF TIME (Weekly or Monthly)

B. To find weekly income, multiply hourly wage x hours worked.

1. $3.75/hr, 40 hrs. 2. $4.15/hr, 35 hrs. 3. $5.66/hr, 42 hrs.

4. $2.95/hr, 40 hrs.

C. To change from weekly terms to monthly terms, multiply by 4.

MODEL: $35.75 a week for food: $35.75 x 4 = $143.00 a month for food

FIND THE MONTHLY AMOUNT FOR THESE WEEKLY AMOUNTS:

1. Income: $137.45 a week 2. Rent: $48.48 a week 3. Food: $56.60 a week

4. Gas: $4.50 a week 5. Transportation: $12.35 a week

6. Entertainment: $22.45 a week

IV. A/S M/D

MATH WORKSHEET

D. To change from monthly to weekly terms, divide by 4.
MODEL: $187.25 for rent:

$$4\overline{)\$186.25} \quad \$\ 46.56 \tfrac{1}{4} = \$46.56 \text{ (round off)}$$

16
26
24
22
20
25
24
1

FIND THE WEEKLY AMOUNT FOR THESE MONTHLY AMOUNTS:

1. Income: $738 a month
2. Rent: $225.00 a month
3. Car payment: $114.40 a month
4. Bank loan: $19.75 a month
5. Rent: $179 a month
6. Mortgage: $456.65 a month

IV. A/S M/D

WORD PROBLEMS

1. Roberta wants some new furniture. The set she has her eye on costs $985. Roberta wants to save up to buy the furniture rather than buying it with time payments, but she doesn't know how long it will take to save that much money. She earns $4.45 an hour, works 40 hours a week. Deductions take out $38.95 each week. Her rent is $210 a month. She usually spends $28.50 a week for food, $2.25 on bus fare to work each day (Monday-Friday) and about $9 a week on entertainment. Clothing bills usually run $35 a month. Roberta's insurance costs $11.50 a month. a. How much can she save each week? b. How many weeks will it take to save for the furniture? c. If she eliminated her entertainment expense, how much sooner could she save the money?

2. Greta and Lucy share an apartment and share all household expenses 50/50. Their rent is $225 a month. Utilities cost $25.60 a month. The phone bill runs $9.80 each month. They spend $45 each week on food. Greta loves clothes and spends 1/3 of her weekly take-home pay on clothes. Lucy spends $20 a week for piano lessons and $15 a week for dance lessons. Greta earns $4.15 an hour and works 35 hours. Deductions come to $29.65. Lucy makes $4.45 an hour. She also works 35 hours. Her deductions total $34.49. Make out a weekly budget for the girls. They want to save up to buy a washing machine. How much can they give to the washing machine fund each week? If they split the cost of a $249 washer, how long will it take each girl to save her half?

IV. A/S M/D

WORD PROBLEMS

3. The Johnson's need a new car. Art Johnson earns $11,980 a year. Mary works part-time for $3.50 an hour, 15 hours a week. They spend $475 a month on mortgage, Art's taxes are $255.66 a month. Mary's taxes are $11.44 a week. Their food bill for the family of 5 comes to $52.35 a week. Clothes cost $35 a month. Utilities cost $39.95 a month. Fuel oil costs $25.30 a month. Miscellaneous expenses come to $15 a week. What is the most they could spare per month for car payments?

A BUDGET SITUATION: TRY YOUR HAND

JAMES MOVES OUT

James is a student. He receives a Veteran's Administration stipend of $350 a month. He also has a part-time job at a food market which pays $2.95 per hour. He works Monday, Wednesday and Friday nights from 5 until 11 p.m.

James lives with his parents and pays them $28.50 a week for room and board. He would like to find his own apartment. How much can he afford to pay for rent? Can he manage his own place?

James Expenses: $475 tuition for 8 months of school
$7/month school supplies, books
$8.35/week transportation
$3.50/month V.A. insurance
$5.25/week personal expenses
$32.65/week food (lunches, etc.)
$28.50/week room and board

Problem 1: What is his monthly expense for tuition? for transportation? personal expenses? food? room and board?

Problem 2: What are James' total monthly expenses?

Problem 3: How much does James earn from his job a. each night? b. each week?

Problem 4: If $8.42 is deducted from each week's pay a. what is his weekly net pay? b. monthly net pay?

Problem 5: What is James' total monthly income? (stipend and job)

Problem 6: Subtract James expenses from his income. How much is left?

Problem 7: a. If he moves into his own apartment, will he still pay room and board to his parents?

b. How does this affect his budget?

Problem 8: a. Does James have enough money to rent an apartment?

b. What other expenses will he meet when he moves out on his own?

c. Can he afford these too?

IV. A/S M/D ANSWERS

MATH WORKSHEET

A. 1. $98.25 + 92.38 = $190.63 ; $33.90 + 55.67 + 9.93 = $99.50 ; $190.63 - 99.50 = $ 91.13

4. $51.50 + 37.75 + 4.62 = $93.87 ; $185.50 - 93.87 = $ 91.63

2. $210.90 + 57.57 = $268.47 ; $62.30 + 33.31 + 6.42 = $102.03 ; $268.47 - 102.03 = $166.44

5. $143.75 + 29.65 = $173.40 ; $48.86 + 44.40 + 11.99 = $105.25 ; $173.40 - 105.25 = $ 68.15

3. $131.50 + 99.75 = $231.25 ; $52.45 + 66.16 + 13.23 = $131.84 ; $231.25 - 131.84 = $ 99.41

6. $38.40 + 29.95 + 7.29 = $75.64 ; $99.50 - 75.64 = $23.86

B. 1. $3.75 x 40 = $150.00

2. $4.15 x 35 = 20 75 + 124 5 = $145.25

3. $5.66 x 42 = 11 32 + 226 4 = $237.72

4. $2.95 x 40 = $118.00

C. 1. $137.45 x 4 = $549.80

2. $48.48 x 4 = $193.92

3. $56.60 x 4 = $226.40

4. $4.50 x 4 = $18.00

5. $12.35 x 4 = $49.40

6. $22.45 x 4 = $89.80

D. 1. 4)$738.00 = $184.50 (4 ; 33 ; 32 ; 18 ; 16 ; 20 ; 20)

2. 4)$225.00 = $ 56.25 (20 ; 25 ; 24 ; 10 ; 8 ; 20 ; 20)

3. 4)$114.40 = $ 28.60 (8 ; 34 ; 32 ; 24 ; 24)

4. 4)$19.75 = $ 4.93 3/4 = $4.94 (16 ; 37 ; 36 ; 15 ; 12 ; 3)

5. 4)$179.00 = $ 44.75 (16 ; 19 ; 16 ; 30 ; 28 ; 20 ; 20)

6. 4)$456.65 = $114.16 1/4 = $114.16 (4 ; 05 ; 4 ; 16 ; 16 ; 06 ; 4 ; 25 ; 24 ; 1)

IV. A/S M/D ANSWERS

WORD PROBLEMS

1. Income: \$4.45 x 40 = \$178.00 ; \$178.00 - 38.95 = \$139.05

Weekly Expenses:

a. rent	\$52.50
b. food	28.50
c. bus fare	11.25
d. entertainment	9.00
e. clothes	8.75
f. insurance	2.88
	\$112.88

a. \$210.00 ÷ 4 = \$52.50 (20, 10, 8, 20, 20)

c. \$2.25 x 5 = \$11.25

e. \$35.00 ÷ 4 = \$8.75 (32, 30, 28, 20, 20)

f. \$11.50 ÷ 4 = \$2.87 2/4 = \$2.87 1/2 = \$2.88 (8, 35, 32, 30, 28, 2)

a. \$139.05 - 112.88 = \$26.17

b. \$985.00.0 ÷ \$26.17 = 37.6 = about 38 weeks (7851, 19990, 18319, 16710, 15702, 1008)

c. She would have \$9 more a week, or \$26.17 + 9.00 = \$35.17

\$985.00.0 ÷ \$35.17 = 28.0 = about 28 weeks (7034, 28160, 28136, 240; 38, -28, 10 weeks soone)

2. a. Find half of each expense:

\$225.00 ÷ 2 = \$112.50 rent

\$25.60 ÷ 2 = \$12.80 utilities

\$9.80 ÷ 2 = \$4.90 phone

\$45.00 ÷ 2 = \$22.50 food

b. Find weekly expense:

\$112.50 ÷ 4 = \$28.12 1/2 = \$28.13 rent

\$12.80 ÷ 4 = \$3.20 = \$3.20 utilities

\$4.90 ÷ 4 = \$1.22 1/2 = \$1.23 phone

c. Find total expenses:

\$28.13
3.20
1.23
+ 22.50
\$55.06 weekly

d. Find incomes:

Greta: \$4.15 x 35 = \$145.25 - 29.65 = \$115.60

Lucy: \$4.45 x 35 = \$155.75 - 34.49 = \$121.26

IV. A/S M/D ANSWERS

e. Extra expenses: Greta spends 1/3 of her pay on clothes

$$3\overline{)\$115.60} \quad \$\ 38.53\ 1/3 = \$38.53$$

Lucy spends \$15 and \$20 = \$35

f. Total expenses:

Greta	Lucy
\$55.06	\$55.06
+ 38.53	+ 35.00
\$93.59	\$90.06

g. How much is left?

Greta:	Lucy:	
\$115.60	\$121.26	Greta can save \$22.01
- 93.59	- 90.06	Lucy can save \$31.20
\$ 22.01	\$ 31.20	

h. $2\overline{)\$249.00}$ \$124.50 Each one's share of the cost will be \$124.50

i. Greta:

$$\$22.01\overline{)\$124.00,0} \quad 5.6 \text{ or } 6 \text{ weeks}$$

11005
14450
13206
1244

Lucy:

$$\$31.2\overline{)\$124.50} \quad 3.9 \text{ or } 4 \text{ weeks}$$

936
3090
2808
182

3. a. Income:

$$12\overline{)\$11,980.0} \quad \$\ 998.33\ 1/3 = \$998.33$$

108
118
108
100
96
40
36
40
36

\$3.50
x 15
17 50
35 0
\$52.50

b. Net Income:

\$998.33	\$52.50
- 255.66	- 11.44
\$742.67	\$41.06

c. Monthly Income: \$41.06 x 4 = \$164.24

d. Total Monthly Income:

\$742.67
+ 164.24
\$906.91

e. Monthly Expenses:

\$209.40 food (\$52.35 x 4)
35.00 clothes
39.95 utilities
25.30 fuel oil
60.00 miscellaneous (4 x \$25)
475.00 mortgage
\$844.65

f. How much is left: \$906.91 - 844.65 = \$ 62.26 left for car payments

IV. A/S M/D ANSWERS

A BUDGET SITUATION

JAMES MOVES OUT

1. Monthly Expenses:

a. $59.37 4/8=$59.37 1/2=$59.38
8)$475.00
40
75
72
30
24
60
56
4

c. $8.35 x 4 = $33.40
e. $5.25 x 4 = $21.00
f. $32.65 x 4 = $130.60
g. $28.50 x 4 = $114.00

2.

a.	tuition	$ 59.38
b.	supplies	7.00
c.	travel	33.40
d.	insurance	3.50
e.	personal	21.00
f.	food	130.60
g.	room	114.00
		$368.88

3. 5 - 11 = 6 hours
a. $2.95 x 6 = $17.70 a night
b. $17.70 x 3 nights = $53.10 a week

4. a. $53.10 - 8.42 = $44.68
b. $44.68 x 4 = $178.72 a month (net)

5. $350.00 + 178.72 = $528.72 total

6. $528.72 - 368.88 = $159.84 left

7. a. No
b. He'll have $114.00 a month more
or $159.84 + 114.00 = $273.84 total

8. a. Yes

b. Food, furniture, utensils, utilities

c. If he's careful

MONEY AND CHILDREN

CBAE Activities	ABE Skills
Student reads article "Be Consistent With Allowances"	Reading
Student answers written questions to reinforce comprehension	Reading Writing
Student outlines the main approaches to using an allowance	Reading: main idea locating answer finding facts
Student explains the advantages and drawbacks of each system	Reading: locating answer supporting details inference drawing conclusion organizing information
Student determines which system is advocated, and why	Reading: drawing conclusions locating answer main idea
Student explains his preference	Problem-solving
Student discusses his experience with allowances (giving or receiving) in oral or written presentation	Problem-solving Speaking and listening Group interaction Writing

MONEY AND CHILDREN

BE CONSISTENT WITH ALLOWANCES

"Loving Free" explores problems of marriage and family living. The McDonalds are a suburban couple with four children. Paula is an artist and Dick is president of an advertising agency.

By PAULA MCDONALD
And DICK MCDONALD

PAULA: An allowance is more than just an amount of money doled out to a youngster on a weekly basis to keep him in bubble gum. Some parents think of it as a learning tool for kids. Others use the weekly allotment as a dangling carrot to keep the kids in line. No matter which system they have chosen, parents worry whether they're handling allowances properly.

DICK: Among our friends, there seem to be three basic approaches to setting up a system.

The first and most common is to use the allowance as payment for work performed. The child gets 50 cents or a dollar per week, depending on age, and for that amount he's expected to do a certain amount of work around the house.

If the household chores are shirked, the allowance is docked accordingly. This method provides an effective power tool for parents. It assures that each child will pull a fair share in the family. It also, some friends claim, teaches youngsters the concept of earning their own way.

PAULA: But there's a built-in booby trap to that approach. While it works for younger children, it often becomes ineffective when kids reach their teens and have the opportunity to earn money elsewhere.

One friend recently complained that as soon as her 12 year old son landed his first paper route, he wasn't the least bit interested in doing dinner dishes anymore for pay.

As soon as her son's pockets were lined with spending money from an outside source, this mother lost the clout she had used for years to make him help out around the house. And that will happen as adolescents begin to baby-sit or find part-time jobs. The allowance simply isn't as crucial to them.

DICK: Other parents use the weekly allowance as a discipline device. The amount is reduced each time the child misbehaves or gets an F on a spelling test. Unfortunately, this approach has the same obvious drawbacks as the first one. It can become totally ineffective with the first lawn job.

And if it does, the reward or punishment system for school motivation or good behavior disappear just when you need them most-adolescence. At that point, many parents have to search for a new method of discipline and a new way to instill that fire in the belly for schoolwork.

From personal experience, I can only comment that the teen years are not the ideal time to instill cooperation and motivation if they have not existed previously. And there's anot-er question about that approach to allowances I've never heard answered. What about the child who clobbers his sister occasionally but also performs his chores diligently?

PAULA: There is a third common approach to allowances: giving a child a weekly or monthly sum of money with no strings attached. Dick and I, after trying the first two philosophies, find this works best for our family. We believe that children have financial needs-just

as adults do. And it's fun for everyone to have a little pocket money.

(Adapted from the Courier-News, 12/2/76)

Vocabulary helps:

doled out:	given
allotment:	amount
dangling carrot:	something which motivates you
shirked:	not done; avoided
docked:	reduced
clout:	power
adolescents:	teen-agers
crucial:	necessary, important
behavior:	way of acting
fire in the belly:	eagerness
instill:	put in
clobbers:	hits
diligently:	regularly
philosophies:	ideas about how to do something
financial:	having to do with money

MONEY AND CHILDREN

BE CONSISTENT WITH ALLOWANCES

1. What are the three approaches to setting up an allowance system?

2. What are the good points about using an allowance as payment for work done?

3. What are the drawbacks to using an allowance as payment for work done?

4. What are the drawbacks to using an allowance as a tool for punishment?

5. Which method do the authors prefer? Why?

6. Which method do you prefer? Why?

7. What experiences have you had with using an allowance, either yourself or with your children?

1. The three approaches are:
   1. allowance as payment for work performed
   2. allowance as a reward or punishment
   3. allowance as a sum of money with no strings attached

2. Using an allowance as payment for work done helps each child do his share. It teaches children to earn their own way.

3. Some children outgrow the system. As soon as children get other sources of money, they stop doing chores for their allowance.

4. Using an allowance to punish and reward is a poor motivator. Children should be taught to be good and to do well in school for the right reasons, not to earn money. Otherwise, when children get their own money, their reason for being good disappears.

5. The authors recommend the third method: giving a regular amount with no strings attached. They believe children need money. They also feel that attaching the allowance to chores or to behavior doesn't work.

6 & 7. Answers will vary. Check with your teacher.

Here is a chart suggesting how to spend your money:

Ideally this is how you should spend each $100 of your income:	
FOOD	$26
HOUSING	20
HOUSEHOLD EXPENSES	8
HOME FURNISHINGS	4
CLOTHING	9
MEDICAL	8
TRANSPORTATION	10
CONTRIBUTIONS	3
RECREATION	3
MISCELLANEOUS	3
SAVINGS	6

What things are included in each of these categories?

Does your spending follow these guidelines?

How is it different?

What other expenses do you have?

Where do you spend more?

Where do you spend less?

Question 1: For each $100 of income you should spend $20 on housing. If you earn $200 a week, how much should you spend on housing each week?

Question 2: If you earn $500 a month, how much should you spend on transportation each month?

Question 3: If you earn $400 a month, how much should you put into savings each month?

ANSWERS:

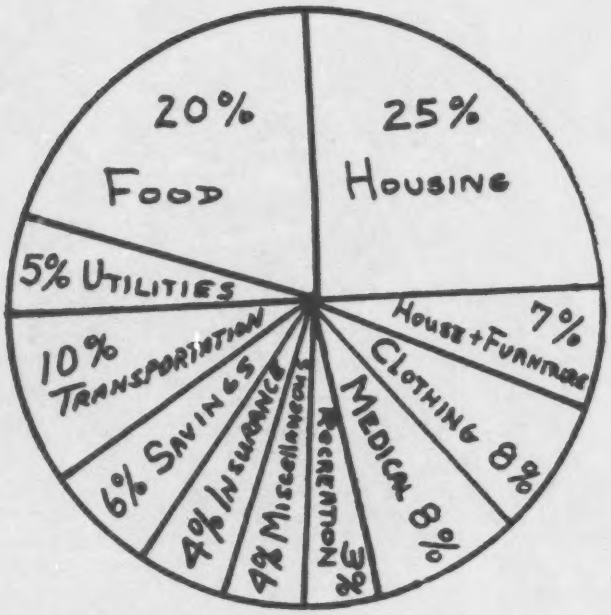
Question 1: 2 x $20 = 40

Question 2: 5 x $10 = $50

Question 3: 4 x $6 = $24

SAMPLE BUDGET

PIE GRAPH



This graph shows a way to divide up income to cover all expenses. The biggest expenses - the biggest "pieces of the pie" - are food and housing. Other smaller expenses take up the rest of the pie.

1. What per cent of the total income is spent on food?

2. What per cent of the total income is spent on insurance?

3. What per cent of the total income is spent on transportation?

4. What expenses are included in "utilities?"

5. What expenses are included in "recreation?"

6. What expenses might the term "miscellaneous" cover?

7. What expenses could be included under "transportation?"

8. What is the biggest budget area? The smallest?
Which areas are the same?

9. Add up all the budget areas. What is the total?

SAMPLE BUDGET: PIE GRAPH - ANSWERS

1. What per cent of the total income is spent on food?

   20%

2. What per cent of the total income is spent on insurance?

   4%

3. What per cent of the total income is spent on transportation?

   10%

4. What expenses are included in "utilities?"

   gas, electric, phone

5. What expenses are included in "recreation?"

   movies, theatre, sports events

6. What expenses might the term "miscellaneous" cover?

   books, magazines, cosmetics

7. What expenses could be included under "transportation?"

   car: gasoline, oil, car repairs, car payments;

   public transportation: taxi, bus, train, subway

8. Biggest is housing. Smallest is recreation.

   same: insurance and miscellaneous

   clothing and medical

9. 100%

MATH WORKSHEET: PIE GRAPH

To find the percentage of a number, first change the percent to a decimal, then multiply.

MODEL 1: 20% = .20 20% of $400 = $400 x .20 = $80.00 Thus, 20% of a $400 income would be $80.

MODEL 2: 4% = .04 4% of $120 = $120 x .04 = $4.80 Thus, 4% of a $120 income would be $4.80.

CHANGE THESE PERCENTS TO DECIMALS:

1. 5% 2. 8% 3. 10% 4. 25% 5. .20% 6. .3%

FIND THE FOLLOWING, USING THE PIE GRAPH:

7. How much should someone earning $130 a week spend on recreation?
8. How much should a family earning $442 a month spend on food?
9. Betty earns $210 a week. How much should she save each week?
10. The Wilsons have a gas and electric bill of $32 a month. Is this within the range for their weekly income? The Wilsons earn $310 a week. (Hint: first find the weekly utility bill.)
11. Calculate the weekly insurance budge for a $221 a week paycheck.
12. What is the yearly transportation allowance for a $12,500 a year income?
13. Mike earns $1100 a month. How much can he spend each month on clothes?
14. The Jeffersons earn $10,000 a year. Will a $950 living room/ dining room set fall within their furniture budget for the year?

IV. A/M/D

MATH WORKSHEET: PIE GRAPH

To find the percentage of a number, first change the percent to decimal, then multiply.

MODEL 1: 25% = .25 25% of $450 = $450 x .25 = 22 50 + 90 0 = $112.50 Thus, 25% of a $450 income would be $112.50.

MODEL 2: 8% = .08 8% of $185 = $185 x .08 = $14.80 Thus, 8% of a $185 income would be $14.80.

CHANGE THESE PERCENTS TO DECIMALS:

1. 20% 2. 4% 3. 3% 4. 6% 5. 10% 6. 25%

FIND THE FOLLOWING, USING THE PIE GRAPH:

7. How much should someone earning $164 a week spend on housing?
8. How much should a family earning $980 a month spend on utilities?
9. John earns $3.65 an hour. He works 40 hours a week. What should he spend on food each week?
10. Sylvia earns $145 a week. What should she spend each month on housing?
11. a. For a monthly income of $729, find the monthly savings.
    b. Weekly savings?
12. The Blodgett family income totals $19,987 a year. What should they be spending on housing and utilities combined?
13. Bud earns $4.95 an hour and works 45 hours. How much should he allow for transportation?
14. Debby spends $35 a week on food. Does this fit her budget? She earns $3.30 an hour and works 35 hours.

III. M/D ANSWERS

IV. A/M/D ANSWERS

MATH WORKSHEET: PIE GRAPH: ANSWERS

III. 1. 5% = .05 2. 8% = .08 3. 10% = .10

4. 25% = .25 5. 20% = .20 6. 3% = .03

7. 3% of \$130 = \$130 × .03 = \$3.90

8. 20% of \$442 = \$442 × .20 = \$88.40

9. 6% of \$210 = \$210 × .06 = \$12.60

10. 4)\$32 = \$8 a week; 5% of \$310 = \$310 × .05 = \$15.50; yes, it is within range

11. 4% of \$221 = \$221 × .04 = \$884

12. 10% of \$12,500 = \$12,500 × .10 = \$1250.00

13. 8% of \$100 = \$1100 × .08 = \$88.00

14. 7% of \$10,000 = \$10,000 × .07 = \$700.00; No, \$950 is above their budget.

IV. 1. 20% = .20 2. 4% = .04 3. 3% = .03

4. 6% = .06 5. 10% = .10 6. 25% = .25

7. 25% of \$164 = \$164 × .25 = \$41.00

8. 5% of \$980 = \$980 × .05 = \$49.00

9. \$3.65 × 40 = \$146.00; 20% of \$146 = \$146 × .20 = \$29.20

10. \$145 × 4 = \$580 monthly income; 25% of \$580 = \$580 × .25 = \$145.00

11. a. 6% of \$729 = \$729 × .06 = \$43.74

b. 4)\$43.74 = \$10.93½ = \$10.94

12. housing = 25% of \$19,987 = \$19,987 × .25 = \$4996.75; utilities = 5% of \$19,987 = \$19,987 × .05 = \$999.35

total: \$4996.75 + 999.35 = \$5996.10

III. M/D ANSWERS

IV. A/M/D ANSWERS

MATH WORKSHEET: PIE GRAPH: ANSWERS

13.
$$\begin{array}{r} \$4.95 \\ \times\ 45 \\ \hline 24\ 75 \\ 198\ 0 \\ \hline \$222.75 \end{array}$$

10% of \$222.75 = \$222.75 × .10 = \$22.2750 = \$22.28

14.
$$\begin{array}{r} \$3.30 \\ \times\ 35 \\ \hline 16\ 50 \\ 99\ 0 \\ \hline \$115.50 \end{array}$$

20% of \$115.50 = \$115.50 × .20 = \$23.1000 = \$23.10

No, \$35 is above her budget.

MANAGING YOUR MONEY

Ask almost anyone this question: "What would it take to make ends meet? How can you achieve financial security?" Nine times out of ten, the answer will be: "More money!" But more money is not necessarily the only answer. In times of inflation, costs rise as rapidly as income, sometimes more rapidly. "More money" doesn't help at all. The way you plan and spend your money is just as important as the total amount you earn.

Basically, a plan for spending money, or a budget, consists of two categories: the amount coming in, or income, and the amount going out, or expenses. Expenses can be broken down as follows:

1. fixed expenses: figure the total amount you spend on such unchanging items as rent, mortgage, loan payments, insurance, etc.
2. emergency expenses: set something aside for a special savings fund for emergencies
3. daily living expenses: estimate the amount you need for such day-to-day things as food, clothing, recreation, etc.

While you can easily find out exactly how much your fixed expenses total (check bills and receipts), it may be harder to figure your daily expenses. You may have to make certain adjustments before the plan fits your spending habits and income.

A budget is more than a plan for money. It reflects your personal values and lifestyle. If it is important to you to have a new, fancy car, then you may have to adjust other areas of your budget to

allow for the car payments. When you cut one area to build up another area, you balance the budget. As long as the total expenses are less than the total income, the budget is balanced.

Before you make your budget, look at your values. Examine your lifestyle. Look at your goals. Look into the future. What is important to you or your family? A nice place to live? Being able to travel? Having nice clothes? Eating out? Getting an education? These goals will affect the plan you draw up. Think about them; discuss them with your family.

Remember too that a budget is a flexible plan. As your income changes, so does your budget. As your expenses change, so does your budget. As your situation, your values, your lifestyle change, so does your budget. In the summer, for instance, you may spend a lot on a vacation and cut way back on food or clothing. In the fall you may need a new coat, so you give up going to the movies for awhile. With a flexible budget, you can adjust to changing goals and conditions.

A budget is not for any particular amount of money. No matter how small the amount you are working with - even a few dollars allowance money - a budget will help you use it to get what you want.

Keep in mind: a good budget helps you reach your goals. Try making a plan. Live with it; change it; adjust it until it works. It will help you know where your money is going, and help you use your money to achieve your goals.

MANAGING YOUR MONEY: QUESTIONS

1. Is more money the solution to money worries?
   Explain.

2. What other factors besides more money can help us achieve financial stability?

3. What are the two categories in a money management plan?

4. Explain the difference between fixed expenses and day-to-day living expenses.

5. How can a budget reflect values and lifestyle?

6. Give an example of how values and lifestyles influence <u>your</u> spending habits.

7. What does "balancing" a budget mean?

8. How do long-range goals affect a budget?

9. Does a budget always stay the same? Explain.

10. What is the object of a good budget?

MANAGING YOUR MONEY: ANSWERS

1. More money is not the solution to money worries. As income rises, so do expenses.

2. Planning and management of money helps achieve stability.

3. The 2 categories are income and expenses.

4. Fixed expenses are those which are regular and always the same, like rent, mortgage, time payments.
   Day-to-day expenses will vary - like food, clothing, utilities.

5. Each person or family has its own way of spending money - personal values and life style determine how much is spent on what. You spend more on the things which are important to you.

6. _____

7. Balancing a budget means keeping income and expenses even - managing money so it covers all expenses.

8. You must begin saving now to have enough money for future goals. You may want to start spending money now on things which will help fulfill your future goals: for instance, lessons or educational experiences.

9. A budget will change as the family's needs, situation, and/or income change.

10. The object of a good budget is to make your money help you reach your goals.

PLANNING SHEET

NOTE: This planning sheet is a guide. You may not have expenses in every area. You may have other expenses not listed. Fill it out to reflect your situation.

	Weekly	Monthly	Yearly
INCOME			
FIXED EXPENSES			
HOUSING			
Rent or mortgage			
Fuel			
INSURANCE			
Home			
Life			
Health			
Car			
PAYMENTS			
Time Payments			
Other			
SAVINGS			
OTHER EXPENSES			
FLEXIBLE EXPENSES			
FOOD			
HOUSEHOLD			
Utilities			
Telephone			
Maintenance (Upkeep)			
Furniture			
TRANSPORTATION			
ENTERTAINMENT			
CLOTHING			
MEDICAL			